

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 347 – HB 1080**

March 31, 2017

**SUMMARY OF BILL:** Establishes that catering businesses that only make occasional sales one time per week up to 52 times per year are excluded from regulations concerning catering businesses as defined by food service establishments under the *Tennessee Food Safety Act* and the *Tennessee Retail Food Safety Act*.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – Exceeds \$2,100**

Assumptions:

- The proposed legislation will limit catering businesses making occasional sales to one time per week up to 52 times per year.
- Pursuant to Tenn. Code Ann. § 68-14-703(9)(G), catering businesses that have no full time employees that use their homes to prepare their fare and make occasional sales during a 30-day period are currently excluded from being required to obtain a departmental permit under the *Tennessee Food Safety Act*.
- Based on the information received from the Department of Health (DOH), caterers who had occasional sales of twice a month, but in the same week, would have to obtain a food service permit from the Department.
- The cost of a food service permit is \$210 a year; funds from which are deposited into the state General Fund.
- It is reasonable to assume that a minimum of 10 caterers across the state make two or more sales each week and would elect to obtain a food service permit; therefore, the recurring increase in state revenue to the General Fund is estimated to exceed \$2,100 (\$210 permit cost x 10 caterers).
- Pursuant to Tenn. Code Ann. § 53-8-203(9)(G), catering businesses that have no full time employees that use their homes to prepare their fare and make occasional sales during a 30-day period are currently excluded from being required to obtain a departmental permit under the *Tennessee Retail Food Safety Act*.
- Based on the information received by the Department of Agriculture, the Department does not license catering businesses and will not issue permits, and as a result, any impact is estimated to be not significant.

## **IMPACT TO COMMERCE:**

### **Increase Business Expenditures – Exceeds \$2,100**

#### Assumptions:

- The provisions of the legislation will result in a recurring increase in business expenditures estimated to exceed \$2,100 for the cost of obtaining the permits for caterers.
- The provisions of the legislation are not anticipated to have any significant impact on commerce or jobs in Tennessee.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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